

GOVERNMENT OF ZAMBIA

ACT

No. 6 of 1990

Date of Assent: 6th May, 1990

An Act to provide for the granting of pension and other retirement benefits to political leaders upon their ceasing to hold office.

[11th May, 1990

ENACTED by the Parliament of Zambia.

Enactment

1. This Act may be cited as the Political Leaders Retirement Benefits Act, 1990.

Short title

2. In this Act unless the context otherwise requires—

Inter-pretation

“Board” means the Political Leaders’ Pension Fund Board established by section nine;

“Fund” means the Political Leaders’ Pension Fund established by section three;

“Political leader” means any person who has held or is holding any of the offices set out in the Schedule to this Act;

“State” shall have the meaning assigned to it in the State Proceedings Act.

Cap. 92

3. (1) There is hereby established a Fund to be known as the Political Leaders’ Pension Fund.

Establishment of Political Leaders Pension Fund

(2) There shall be payable to the Fund—

(a) all contributions made by political leaders under this Act;

(b) from the General Revenues of the Republic—

(i) a sum equal to two hundred per centum of the contributions made by every political leader under this Act; and

(ii) such moneys as may be appropriated by Parliament for the purpose of the Fund.

(3) A political leader shall be entitled to obtain from the Fund a minimum interest loan for—

- (a) an agricultural or small scale business if he has been a political leader for a period of not less than five years or one full parliamentary term; and
- (b) a house if he has been a political leader for a period of not less than ten years or two full parliamentary terms.

(4) All pensions and other benefits payable under this Act shall be paid out of the Fund.

Payment of retirement benefits to political leaders since 1964

4. Any person who has at any one time been a political leader for a period of not less than five years from 24th October, 1964, and who has ceased to hold office as a political leader, shall be entitled to the following benefits or the monetary equivalent thereof:

- (a) two pairs of oxen;
- (b) a plough, planter, ridger, harrow and cultivator, all of which shall be ox-drawn;
- (c) an ox cart of one ton capacity;
- (d) a ten hectare plot of land where necessary in an area, if possible of the political leader's choice; and
- (e) where a plot is allocated under paragraph (d), agricultural requisites for a year and the clearing of 3 hectares of land.

Pension and retirement benefits for political leaders retiring before 1st August, 1993

5. (1) Any person who has been a political leader for a period of not less than twenty years and is not less than fifty-five years of age and who retires before 1st August, 1993, shall be entitled to an annual pension equal to the annual salary paid to him while in office.

(2) Any person who has been a political leader for a period less than twenty years but not less than fifteen years and is not less than fifty-five years of age and who retires before 1st August, 1993, shall be entitled to an annual pension equal to three quarters of the highest salary earned during the last five years of service as a political leader.

(3) Any political leader who is entitled to a pension under this section shall, in addition to his pension, be entitled to—

- (a) the purchase of a personal to holder vehicle at the net book value;
- (b) the following retirement benefits or the monetary equivalent thereof:
 - (i) two pairs of oxen;
 - (ii) a plough, ridger, harrow and cultivator, all of which shall be ox-drawn;
 - (iii) ox cart of one ton capacity;

- (iv) a ten hectare plot of land where necessary in an area, if possible, of the political leader's choice; and
- (v) where a plot is allocated under sub-paragraph (iv) agricultural requisites for a three hectares of land for a year and the clearing of three hectares of land.

6. (1) Subject to subsection (4) any person, other than a political leader who has ceased to hold office as a political leader or who has retired under sections *four* and *five* respectively, who has been a political leader for a period of not less than fifteen years or for three consecutive parliamentary terms and is not less than fifty-five years of age shall, upon ceasing to hold office as a political leader, be entitled to an annual pension equal to three quarters of the highest salary earned during the last five years of service as a political leader:

Pension and retirement benefits for political leaders generally

Provided that the political leader shall not be entitled to the pension benefits under subsection (1) unless he has contributed not less than ten per centum of his salary to the Fund for a period of not less than fifteen years.

(2) A political leader who—

- (a) is not less than fifty-five years of age at the commencement of this Act; or
- (b) is not less than fifty years of age and not more than fifty-five years of age at the commencement of this Act for the period up to 1st August, 1993;

shall be entitled to the pension under subsection (1) without contributing for a period of fifteen years required by the proviso to that subsection.

(3) A political leader who is not less than fifty-five years of age and has contributed not less than ten per centum of his salary to the Fund for a period of less than fifteen years or less than three Parliamentary terms shall upon ceasing to hold office as a political leader be entitled to such pension as the Board shall determine:

Provided that any political leader who is not more than forty-nine years of age at the commencement of this Act may contribute to the Fund in arrears for the period of service up to a maximum of ten years on the salary paid to him for that period.

(4) A person who ceases to be a political leader before the age of fifty-five years and has served as a political leader for a period of not less than fifteen years or for not less than three consecutive parliamentary terms shall be entitled to three quarters of the highest salary earned during the last five years of service as a political leader.

(5) Where a person ceases to be a political leader before the age of fifty-five years and has served for a period of less than fifteen years or for less than three consecutive parliamentary terms—

(a) the benefits accruing under this Act shall—

- (i) be transferred to an appropriate scheme with the new employer, if any; or
- (ii) be held in trust until maturity and the political leader shall make the necessary contribution for the remainder of the period up to a period of fifteen years; or

(b) the political leader shall be entitled only to the contributions made by him to the Fund and the accrued interest thereon.

(6) Where a person ceases to be a political leader on grounds of ill health he shall be entitled to such pension as the Board may determine.

Circumstances when pension and retirement benefits not payable

7. If a political leader who is entitled to the pension and retirement benefits specified in this Act directly or indirectly holds any paid office in the service of the State or any paid office in the employment of any person, the payment of the pension and retirement benefits to which he is entitled under this Act shall be withheld for as long as he holds such office.

Death of political leader

8. Where any political leader who is entitled to pension and retirement benefits under this Act died before the commencement of this Act or dies after the commencement of this Act his estate shall be entitled to fifty per centum of his benefits under this Act.

Establishment of Board

9. There is hereby established the Political Leaders Pensions Fund Board which shall be a body corporate with perpetual succession and capable of suing and being sued in its corporate name with power, subject to the provisions of this Act, to do such acts and things as a body corporate may by law do or perform.

Composition of Board

10. (1) The Board shall consist of—

- (a) one member from the Party;
- (b) one member from the Government;
- (c) the Director of the Zambia National Provident Fund;
- (d) one member from any Commercial bank;
- (e) one member from the Zambia State Insurance Corporation;
- (f) one member who is qualified as a legal practitioner under the Legal Practitioners Act;
- (g) one member from the agricultural sector; and
- (h) two other members.

Cap. 48

(2) The President shall appoint a Chairman and Vice-Chairman on such terms and conditions as the President may determine.

(3) The members referred to in subsection (1) shall be appointed by the President on such terms and conditions as the President may determine.

11. (1) There shall be a Secretary to the Board who shall be appointed by the Board on such terms and conditions as the Board may determine.

Secretary and other staff

(2) The Secretary shall be responsible for the administration of the day-to-day affairs of the Board.

(3) The Board may appoint such other staff as it considers necessary for the performance of its functions.

12. (1) The functions of the Board shall be—

Functions of Board

(a) to manage the Fund in a business-like manner; and

(b) to grant to political leaders loans, on minimum interest rates and on such other terms and conditions as the Board may determine, for house construction or purchase, agricultural production and small scale businesses.

(2) The Board may invest such moneys of the Fund in real estate, Government bonds or in any such other venture as it considers necessary.

13. The financial year of the Board shall be the period of twelve months ending on the 31st December, in each year.

Financial year

14. (1) The Board shall keep proper books of account and other records relating to its accounts.

Books of accounts

(2) The books of account and any other records relating to the accounts shall be open for inspection by the Minister or any person authorised by him in that behalf.

15. (1) The accounts of the Board shall be audited annually by such auditor as the Board may appoint and a detailed report on the accounts shall be submitted to the Board who shall thereafter submit the report to the Minister.

Audit of accounts

(2) The auditor appointed under subsection (1) shall have access at all reasonable times to all books of account, records, returns, reports and other documents relating to the Board's accounts.

(3) In respect of each financial year, the auditor shall certify whether or not—

(a) he has received all the explanations and other information necessary for the performance of his duties;

(b) the accounts of the Board have been properly kept; and

(c) according to the explanations and other information received, and the books of account, records, returns, reports and other documents relating to the Board's

accounts produced to him, the accounts of the Board reflect a true and accurate financial position of the Board or of its profit and loss position, for the period covered by his certification.

Annual
report

16. (1) As soon as is practicable, but not later than six months after the expiry of each financial year, the Board shall submit to the Minister a report containing a balance sheet showing the assets and liabilities of the Board as at the last day of the financial year to which the report relates, accompanied by an audited statement of income and expenditure for that financial year together with any other statements and returns as may be relevant.

(2) The Minister may, at any time, require the Board in writing to submit to him such additional reports, returns or statements, duly certified by the auditor, as the Minister considers necessary, and the Board shall comply with such requirement.

(3) The Minister shall, not later than thirty days after the first sitting of the National Assembly next after the receipt of the report referred to in subsection (1), lay it before the National Assembly.

Review of
pensions

17. The Board shall review the pensions payable under this Act at such intervals as the Board may determine.

Repeal of
Act No. 9
of 1989

18. The Specified Offices (Terminal Gratuities) Act, 1989, in so far as it relates to political leaders is hereby repealed.

SCHEDULE

(Section 2)

POLITICAL LEADERS

1. Speaker
2. Member of the Central Committee
3. Minister
4. Attorney-General
5. Provincial Political Secretary
6. Deputy Speaker
7. Minister of State
8. Parliamentary Secretary
9. District Governor
10. Member of Parliament
11. Provincial Chairman of the Women's League
12. Provincial Chairman of the Youth League
13. District Political Secretary/Regional Secretary
14. District Chairman of the Women's League/Regional Women's Secretary
15. District Chairman of the Youth League/Regional Youth League
16. Executive Member of the Women's League
17. Executive Member of the Youth League
18. Special Assistant including Principal Advisor and Chief Political Advisor